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EXDIS

WHITE HOUSE FOR STEVE STUDDERT AND JOHN KELLER

STATE FOR A/TSS JEANNIE BULL

STATE FOR EAP/CM WILLIAMS

E.O. 12356: DECL: OADR
TAGS: PREL, ECON, OVIP (BUSH, GEORGE H.W.), CH, US
SUBJECT: THE PRESIDENT'S VISIT TO CHINA: SUGGESTIONS
REGARDING WHAT WE AND THE CHINESE HOPE TO
ACCOMPLISH

- 1. SECRET ENTIRE TEXT.
- 2. THIS MESSAGE IS PART OF A SERIES OF EMBASSY ASSESSMENTS TRANSMITTED TO ASSIST WASHINGTON PREPARATIONS FOR PRESIDENT BUSH'S VISIT TO CHINA.
- 3. THE EMBASSY SUBMITS THE FOLLOWING SUGGESTIONS REGARDING WHAT WE AND THE CHINESE HOPE TO ACCOMPLISH DURING THE PRESIDENT'S FEBRUARY 25-27 VISIT TO CHINA. THE MATERIAL IS BROKEN OUT INTO GENERAL GOALS AND SPECIFIC TOPICS RELATING TO INTERNATIONAL AND BILATERAL ISSUES:

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- I. A. WHAT THE U.S. WANTS FROM THE VISIT
- -- PROVIDE SYMBOLISM OF CONTINUITY IN A HEALTHY, STILL DEVELOPING BILATERAL RELATIONSHIP; REINFORCE POSITIVE MOMENTUM AS THE BUSH ADMINISTRATION BEGINS,

UNITED STATES DEPARTMENT OF STATE Page - 1 REVIEW AUTHORITY: ROBERT J. MARTENS DATE/CASE ID: 24 MAR 1999 199802757

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SETTING THE TONE AND FRAMEWORK FOR THE AGENDA OVER THE NEXT FOUR YEARS.

- -- DEEPEN PERSONAL RELATIONS WITH OLDER AND YOUNGER GENERATION OF CHINA'S LEADERS DURING POLITICAL SUCCESSION PHASE IN CHINA.
- -- DEMONSTRATE CONTINUING HIGH PROFILE OF U.S.-CHINESE RELATIONS, EVEN AS PRC MOVES FINALLY TO "NORMALIZE" RELATIONS WITH THE SOVIET UNION WITH MID-MAY SUMMIT.
- -- SHARE ASSESSMENTS AT HIGHEST LEVEL OF EACH SIDE'S VIEW OF ITS OWN RELATIONSHIP WITH THE SOVIETS.
- -- LAUNCH A MORE CONCRETE DISARMAMENT DIALOGUE WITH THE CHINESE COVERING PRC PARTICIPATION IN BALLISTIC MISSILE, CHEMICAL AND NON-PROLIFERATION AREAS.
- -- HIGHLIGHT BILATERAL ECONOMIC AND COMMERCIAL ACHIEVEMENTS AS CONCRETE MANIFESTATIONS OF OUR STRENGTHENING TIES.
- -- SET FRAMEWORK FOR RESOLUTION OF BILATERAL ECON/ COMMERCIAL PROBLEMS AT A TIME CHINA IS ASSUMING AN INCREASINGLY IMPORTANT ROLE IN THE WORLD ECONOMIC

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COMMUNITY.

- I. B. SPECIFIC U.S. OBJECTIVES/POINTS TO RAISE:
- 1) INTERNATIONAL ISSUES
- A) THE SOVIET UNION
- -- OBTAIN CHINESE ASSESSMENT OF THE DIRECTION OF SINO-SOVIET RELATIONS
- -- OBTAIN CHINESE ASSURANCES THAT SINO-SOVIET RELATIONS WILL NOT UPSET THE STRATEGIC BALANCE, I.E., THAT THE EMERGING SINO-SOVIET DIALOGUE WILL Q &O"T UNDERCUT U.S. INTERESTS.
- -- SHARE WITH CHINESE OUR ASSESSMENT OF US-SOVIET RELATIONS; ASSURE CHINESE THAT OUR RELAHTIONS WOTH THE QSOVIETS WILL NOT AFFECT OUR RELATIONS WITH THE PRC.

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-- ELICIT CHINESE ASSESSMENTS OF GORBACHEV'S POSITION, LIKELY SOVIET DIRECTION IN FOREIGN POLICY AND DOMESTIC REFORMS IN UPCOMING YEARS.

B) BALLISTIC MISSILES

--SEEK REAFFIRMATION OF CHINESE ASSURANCES THAT PRC WILL NOT SELL INTERMEDIATE RANGE MISSILES TO COUNTRIES OTHER THAN SAUDI ARABIA. MENTION OUR IMMEDIATE CONCERN ABOUT PAKISTAN.

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SUBJECT: THE PRESIDENT'S VISIT TO CHINA: SUGGESTIONS

- --SEEK, AS POSSIBLE, AN EXPLICIT CHINESE STATEMENT THAT THESE ASSURANCES APPLY TO ALL MISSILES WITH A RANGE GREATER THAN 300KMS.
- --URGE CHINESE ASSOCIATION WITH MULTILATERAL EFFORTS TO CONTAIN MISSILE PROLIFERATION.
- C) ARMS CONTROL
- --SUGGEST INTENSIFICATION OF OUR ONGOING DIALOGUE ON ARMS CONTROL THROUGH THE ANNUAL ACDA-MFA TALKS AND THE NEWLY INITIATED POLITICO-MILITARY TALKS.



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--SEEK AGREEMENT ON CONTINUED EXCELLENT COOPERATION WITH CHINA IN GENEVA IN BRINGING A COMPREHENSIVE, VERIFIABLE BAN ON CHEMICAL WEAPONS INTO BEING WITHIN A SHORT PERIOD OF TIME.

- D) NUCLEAR PROLIFERATION
- --DISCUSS OUR ONGOING CONCERNS REGARDING NUCLEAR PROLIFERATION WITH THE ACCENT ON SOUTH ASIA.
- --REPEAT OUR CONCERN AND ASK FOR ASSURANCES CONCERNING CHINA'S INTENTIONS RE PAKISTAN IN THE NUCLEAR AREAS.
- E. AFGHANISTAN
- --DESCRIBE THE KEY ROLE SINO-AMERICAN COOPERATION PLAYED IN FORCING SOVIET WITHDRAWAL FROM AFGHANISTAN.
- --SEEK AUTHORITATIVE CHINESE VIEWS ON WHAT CAN BE DONE TO ENSURE AFGHAN STABILITY, INDEPENDENCE, NEUTRALITY AND ECONOMIC RECONSTRUCTION FOLLOWING SOVIET WITHDRAWAL.
- F. CAMBODIA
- --AGREE ON THE NEED FOR CONTINUED COOPERATION AND CLOSE CONSULTATION IN ACHIEVING SHARED GOALS IN CAMBODIA AS THE MULTILATERAL DIPLOMATIC PROCESS TO RESOLVE THE ISSUE BECOMES INCREASINGLY IMPORTANT AND COMPLEX.

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--REITERATE THAT THE U.S. WILL NOT NORMALIZE



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RELATIONS WITH VIETNAM UNTIL ALL VIETNAMESE TROOPS HAVE WITHDRAWN FROM CAMBODIA IN THE CONTEXT OF AN ACCEPTABLE POLITICAL SETTLEMENT.

- --ELICIT AUTHORITATIVE CHINESE VIEWS ON THE PROGRESS OF THEIR TALKS WITH THE VIETNAMESE AND THE SOVIETS ON CAMBODIA, INCLUDING CLARIFICATION OF WHEN CHINA WILL BEGIN REDUCING AID TO THE KHMER ROUGE.
- --SEEK SPECIFIC CHINESE ASSURANCES THAT, IN THE EVENT OF A CAMBODIAN SETTLEMENT, CHINA WOULD ENSURE THAT THE WORST OF THE KHMER ROUGE LEADERS WILL NOT REMAIN IN CAMBODIA.
- --PROJECT U.S. SUPPORT FOR SIHANOUK, INCLUDING POSSIBLY BY ARRANGING A MEETING BETWEEN THE PRESIDENT AND SIHANOUK.
- --PRESS THE CHINESE ON THEIR VIEWS OF AN INTERNATIONAL PEACEKEEPING FORCE AND OTHER MEASURES TO PREVENT KHMER ROUGE DOMINATION.

G. KOREA

- -- DEEPEN DIALOGUE WITH SENIOR CHINESE LEADERS IN SHARED EFFORT TO DRAW PYONGYANG OUT OF ISOLATION AND PROMOTE CONTINUED PROGRESS IN THE ONGOING NORTH-SOUTH DIALOGUE.
- -- EXPRESS SATISFACTION WITH CHINA'S INCREASED CONTACT WITH SOUTH KOREA.

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-- THANK THE CHINESE FOR THEIR ASSISTANCE IN ARRANGING OUR TWO MEETINGS IN BEIJING WITH DPRK EMBASSY OFFICIALS.

H. JAPAN

- -- NOTE THAT THE US-JAPAN ALLIANCE PROVIDES TOKYO WITH A SENSE OF SECURITY WHICH CONTRIBUTES TO PEACE AND STABILITY IN THE REGION.
- -- EMPHASIZE US-JAPAN MILITARY COOPERATION IS GEARED STRICTLY TOWARD JAPAN'S SELF-DEFENSE; WHILE WE BELIEVE JAPAN COULD AND SHOULD DO MORE IN TERMS OF SHOULDERING MORE OF ITS SELF-DEFENSE

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BURDEN, BOTH WE AND JAPANESE ARE AGAINST A MILITARY POWER PROJECTION CAPABILITY FOR JAPAN.

- I. MIDDLE EAST
- --EXPRESS APPRECIATION FOR CHINA'S EFFORTS IN URGING PLO TO PLAY MORE CONSTRUCTIVE AND POSITIVE ROLE IN PEACE PROCESS.
- --WELCOME CHINA'S RECENT DECISION TO MAINTAIN DIALOGUE WITH ISRAEL THROUGH THE PRC UN MISSION IN NEW YORK.
- --ENCOURAGE CHINA TO CONTINUE IMPROVING RELATIONS WITH ISRAEL, NOTING THAT THIS IS ESSENTIAL IF CHINA WISHES TO BE RELEVANT TO THE MIDDLE EAST PEACE PROCESS.
- J. SOUTH ASIA
- -- SHARE ASSESSMENTS OF TRENDS IN THE SUBCONTINENT.
- -- URGE CHINESE INPUT INTO ACCELERATING INDO-PAK NORMALIZATION, INCLUDING THROUGH SINO-INDIAN NORMALIZATION, AND THROUGH FOREBEARANCE IN CHINESE NUCLEAR COOPERATION WITH PAKISTAN AND MISSILE SALES IN THE REGION.
- -- PROBE CHINESE VIEWS ON HOW WE COULD COOPERATE TO DISCOURAGE DEVELOPMENT OF NUCLEAR WEAPONS IN SOUTH ASIA.
- K. UNITED NATIONS



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- --NOTE EXCELLENT COOPERATION WITH CHINA DURING MOST RECENT UNGA ON HIGH PRIORITY ISSUES, INCLUDING: RETURN OF THE KOREA ISSUE TO THE UNGA AGENDA, MAKING POSSIBLE THE FIRST-EVER SPEECH TO THE GA BY A SOUTH KOREAN PRESIDENT, THE SUCCESSFUL ACHIEVEMENT OF A CEASEFIRE IN THE IRAN/IRAQ WAR, AGREEMENT ON CUBAN TROOP WITHDRAWAL FROM ANGOLA AND NAMIBIAN INDEPENDENCE, AND LIMITATION OF THE SIZE AND COST OF UNTAG.
- --NOTE DIFFERENCES STILL REMAIN; FOR EXAMPLE, WE WERE VERY DISAPPOINTED BY CHINESE SUPPORT OF NON-ALIGNED MOVEMENT CRITICISM OF OUR DOWNING OF LIBYAN JETS IN SELF-DEFENSE OVER INTERNATIONAL WATERS.
- 2) BILATERAL ISSUES

A) ECONOMIC REFORM

- -- OBTAIN ASSESSMENT FROM CHINA'S LEADERS OF NATURE, PACE AND PROGNOSIS OF ECONOMIC REFORM
- -- SUPPORT FURTHER REFORMS AND POINT OUT THAT THEY ARE NECESSARY AND CONSISTENT WITH CHINA'S ASSUMING LARGER WORLD ECONOMIC ROLE.
- B) GATT

--REITERATE STRONG SUPPORT FOR CHINA'S ACCESSION TO GATT UNDER CIRCUMSTANCES IN WHICH CHINA ACCEPTS AND IMPLEMENTS THE RESPONSIBILITIES SUCH MEMBERSHIP

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ENTAILS.

C) INTELLECTUAL PROPERTY RIGHTS

--STRESS CONCERN THAT THIS ISSUE IF NOT ADDRESSED COULD BECOME A BILATERAL POLITICAL AS WELL AS ECONOMIC SOURCE OF FRICTION. TRADE BILL SANCTIONS MAY RESULT IF CHINA DOES NOT DEVELOP ADEQUATE IPR PROTECTION LEGISLATION AND PROPER ENFORCEMENT MECHANISM. WE STAND PREPARED TO WORK EVEN MORE CLOSELY WITH CHINA TO RESOLVE THIS ISSUE.

D) TRADE AND INVESTMENT ENVIRONMENT



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- --HIGHLIGHT DRAMATIC RISE IN BILATERAL TRADE AND U.S. INVESTMENT IN CHINA IN 1988 AS INDICATIVE OF OUR STRENGTHENED TIES.
- --STRESS IMPORTANCE OF RESOLVING GROWING NUMBER OF TRADE AND INVESTMENT DISPUTES TO AVOID DAMAGING CHINA'S ATTRACTIVENESS TO THE U.S. BUSINESS COMMUNITY. (SOME ILLUSTRATIVE CASES MAY BE RAISED.)
- E) CIVIL AVIATION
- --EXPRESS SUPPORT FOR POSITIVE CONCLUSION TO CURRENT CIVAIR AGREEMENT NEGOTIATIONS.
- --NOTE OUR READINESS TO WORK WITH CHINA TO ENHANCE AVIATION SECURITY AND AIR TRAFFIC CONTROL.
- F) DEFENSE RELATIONSHIP
- --ENCOURAGE CONTINUED CONTACT AND COOPERATION BETWEEN THE MILITARY ESTABLISHMENTS OF THE U.S. AND CHINA.
- --ENCOURAGE CHINA'S DEFENSE ESTABLISHMENT TO BECOME MORE AWARE OF CHINA'S RESPONSIBILITIES AS A REGIONAL

AND WORLD ACTOR, PARTICULARLY IN SALES OF ARMS, MISSILES, CHEMICAL AND NUCLEAR WEAPON COMPONENTS.

G) HUMAN RIGHTS/TIBET

--NOTE THAT CONCERN FOR HUMAN RIGHTS WILL CONTINUE TO BE A FACTOR IN AMERICAN PUBLIC OPINION AND WILL INFLUENCE U.S. FOREIGN POLICY.



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- --MAKE CLEAR TO THE CHINESE THAT WE WILL CONTINUE TO WATCH CAREFULLY SUCH ISSUES AS TREATMENT OF PRISONERS IN TIBET, FAMILY PLANNING PRACTICES, AND THE TREATMENT OF DISSIDENTS.
- --SEEK CHINESE AGREEMENT TO A REGULAR CHANNEL FOR INFORMATION ON TIBETAN PRISONERS.
- --SEEK MORE CONCRETE ASSURANCES ON PRESS ACCESS TO TIBET.
- --ELICIT CHINESE ASSESSMENT OF THE POLITICAL RAMIFICATIONS FOLLOWING THE DEATH OF THE PANCHEN LAMA AND PROSPECTS FOR PRC-DALAI LAMA TALKS.

H) EXCHANGE PROGRAMS

- --ENCOURAGE FURTHER EXPANSION OF GOVERNMENTAL AND NON-GOVERNMENTAL EDUCATIONAL, CULTURAL AND ATHLETIC EXCHANGES.
- --EXPRESS U.S. SATISFACTION WITH AGREEMENT ON ARRIVAL THIS YEAR OF THE FIRST PEACE CORPS CONTINGENT.

I) LAW ENFORCEMENT

--ENCOURAGE GREATER BILATERAL EXCHANGE IN ORDER TO ENHANCE LONG-TERM OBJECTIVE OF CREATING A CADRE OF LAW ENFORCEMENT OFFICIALS WHO WILL BE ADVOCATES FOR POSITIVE CHANGE WITHIN THE CHINESE LEGAL SYSTEM. DOC_NUMBER: 89BEIJIN03421

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E.O. 12356: DECL: OADR TAGS: PREL, ECON, OVIP (BUSH, GEORGE H.W.), CH, US SUBJECT: THE PRESIDENT'S VISIT TO CHINA: SUGGESTIONS

- --PROPOSE THAT A VISIT BY THE DEA ADMINISTRATOR BE RESCHEDULED FOR 1989.
- --PROPOSE THAT OUR AMBASSADOR AT LARGE FOR COUNTERTERRORISM VISIT BEIJING IN THE NEAR FUTURE TO DISCUSS JOINT EFFORTS TO TRACK AND COUNTER REGIONAL AND GLOBAL TERRORISM.
- II. A. WHAT THE CHINESE HOPE TO GAIN FROM THE PRESIDENTIAL VISIT
- -- CONFIRM HEALTHY AND IMPROVING SINO-AMERICAN

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RELATIONS FOR U.S., PRC AND WORLD AUDIENCE.

- -- BRING TO THE ADMINISTRATION'S ATTENTION CHINA'S VIEWS AND BILATERAL COMPLAINTS WHILE THE NEW TEAM IS STILL FORMULATING ITS FOREIGN POLICY.
- -- PROVIDE BALANCE AND POSSIBLY SOME LEVERAGE VIS-A-VIS THE PARADE OF SOVIETS AND VIETNAMESE WHO WILL BE COMING TO BEIJING DURING THE NEXT FEW MONTHS.
- -- OBTAIN U.S. ASSESSMENT OF US-SOVIET TIES, INTERNAL SOVIET SITUATION.
- --PROVIDE OPPORTUNITY FOR TOP LEADERS OF BOTH COUNTRIES TO COORDINATE ON FAST-BREAKING DEVELOPMENTS IN CAMBODIA, KOREA AND AFGHANISTAN. ENCOURAGE US-DPRK TIES, SEEK REAFFIRMATION OF TOUGH U.S. STAND ON CAMBODIA.
- -- EASING OF U.S. RESTRICTION REGARDING STRATEGIC TRADE CONTROLS, IMPORT QUOTAS, ANTI-DUMPING PROVISIONS, LACK OF UNCONDITIONAL MFN AND GSP, AND U.S. FIVE POINTS ON GATT ACCESSION.
- -- STRESS STRONGLY-HELD BELIEF THAT U.S., DESPITE STATEMENTS CITING CHINA AS A FRIENDLY COUNTRY DOES NOT TREAT CHINA, ACCORDINGLY IN BILATERAL ECONOMIC TIES.
- -- AT OUTSET OF BUSH ADMINISTRATION, GET AN AUTHORITATIVE U.S. STATEMENT OF "ONE CHINA" POLICY AND AMERICAN DISSOCIATION FROM PRO-INDEPENDENCE



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SENTIMENT ON TAIWAN.

- II. B. SPECIFIC OBJECTIVES/POINTS THAT THE CHINESE MAY RAISE:
- 1) INTERNATIONAL

THE SOVIET UNION

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- -- REASSURE U.S. IN GENERAL TERMS THAT RELATIONS WITH THE SOVIETS WILL HAVE CERTAIN LIMITS AND WILL NOT AFFECT RELATIONS WITH THE U.S.
- -- PROVIDE ASSESSMENT OF UPCOMING SINO-SOVIET SUMMIT.
- -- ELICIT U.S. IMPRESSIONS ON WHERE AND HOW FAST WE ARE GOING WITH THE SOVIETS IN US-SOVIET TIES, INCLUDING IN DISARMAMENT AREAS, U.S. ANALYSES OF GORBACHEV'S PROBLEMS AND PROSPECTS.

CAMBODIA

-- SEEK ASSURANCES THAT U.S. INTENDS TO KEEP UP ITS PRESSURE ON VIETNAM TO WITHDRAW FROM CAMBODIA. DRAW THE U.S. INTO THE PRC EFFORT TO UNDERCUT VN-SOVIET EFFORT TO LEGITIMIZE HUN SEN REGIME.

-- DRIVE HOME THAT CHINESE GOALS IN CAMBODIA HAVE

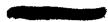
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NOT CHANGED, DESPITE RECENT PROGRESS IN SINO-SOVIET RELATIONS AND SOME MOVEMENT IN SINO-VIETNAMESE RELATIONS.

- -- MAINTAIN AMBIGUITY ON CHINESE INTENTIONS REGARDING DISPOSITION OF THE KHMER ROUGE LEADERSHIP.
- 2) BILATERAL
- A) TAIWAN
- -- PROBE FOR INDICATIONS THAT THE NEW BUSH ADMINISTRATION WILL BE RECEPTIVE TO PRC PRESSURES AIMED AT DISASSOCIATING THE U.S. FROM TAIWAN.



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- -- POSSIBLY LAY DOWN MARKER OF CONTINUED DISPLEASURE WITH QUANTITY, QUALITY AND RATE OF REDUCTION OF U.S. ARMS SALES TO TAIWAN.
- -- ELICIT A U.S. STATEMENT OF OPPOSITION TO PRO-INDEPENDENCE SENTIMENT ON TAIWAN.
- -- REITERATE THAT U.S. SHOULD PLAY A ROLE IN ENCOURAGING KMT TO ENGAGE IN DIRECT TALKS WITH THE CCP.
- -- ENCOURAGE U.S. OPPOSITION TO TAIWAN'S EFFORTS TO ESTABLISH AN INTERNATIONAL IDENTITY, E.G., GATT ENTRY BEFORE CHINA.
- B) "INTERFERENCE IN INTERNAL AFFAIRS":
- -- REGISTER CONCERN WITH U.S. ACTIONS PERCEIVED AS INTERFERENCE IN PRC INTERNAL AFFAIRS.

- -- SEEK, IF POSSIBLE, THE FOLLOWING FROM U.S.:
- REAFFIRMATION OF U.S. RECOGNITION OFCHINA'S SOVEREIGNTY OVER TIBET
- PLEDGE TO SUPPORT THE NEW UNFPA PROGRAM
 FOR CHINA
- ADMINISTRATION COMMITMENT TO RESTRAIN FROM COMMENT ON CHINA'S HUMAN RIGHTS CONDITIONS
- C) EXPORT CONTROLS



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- --PRESS FOR MAJOR RELAXATION OF U.S. AND COCOM STRATEGIC TRADE CONTROLS ON CHINA.
- D) GATT
- -- SEEK U.S. SUPPORT FOR PRC'S SPEEDY GATT ENTRY WITHO ONLY PREREQUISITE BEING TARIFF REDUCTIONS.
- -- REQUEST UNCONDITIONAL MFN AND GSP FOLLOWING GATT ENTRY.
- E) BILATERAL INVESTMENT TREATY
- -- PRESS FOR U.S. TO FOLLOW JAPAN'S EXAMPLE LAST YEAR IN SIGNING AN INVESTMENT TREATY.
- F) SOFT LOANS
- -- STRESS THAT U.S. FOLLOW OTHER DEVELOPED COUNTRIES' LEAD IN THIS AREA. LORD